

Testimony Before the Senate Insurance Committee
SB 282-283
December 12, 2017

Good afternoon, Mr. Chair, and members of the Insurance Committee. Thank you for this opportunity to come before you and testify today.

I'm Dr. Dan Spencer and I am a chiropractor with practices in Hudson and Reading. I am a former President and Chairman of the Board of the Michigan Association of Chiropractors (MAC) and I am currently a member of the MAC's Government Relations Committee. On behalf of the MAC's statewide membership, I'm here to express our strong support of Senate Bills 282 and 283.

Section 315(1) of the Workers' Compensation Act and section 3107b of the Michigan Automobile No-Fault Act allow insurers to refuse to reimburse licensed chiropractic physicians for **lawfully** delivered services that the same insurers cover and reimburse to other providers. This inequity forces patients to either pay out of pocket, go without the needed service, or seek riskier and more expensive care from another provider. These bills serve to eliminate this inequity. The problem and the manner in which these bills address the problem are truly that straightforward and simple.

The bills **don't** change anything in the scope of practice for a chiropractic physician in Michigan. The bills **don't** change what services are payable under the Michigan Workers' Compensation System or the Auto No-Fault Act. The bills do **nothing** to change the structures that are in place to determine if a treatment is necessary. They simply allow patients who wish to treat with a chiropractor to do so, without penalty.

By not reimbursing chiropractic physicians for necessary services that are **already** in the chiropractic scope of practice, you force the patient to pay out of pocket or to go to another provider to receive necessary treatment.

Allow me to briefly provide you with an example so that you can see how simple, and frankly, how inappropriate the current policy is. A patient, who was hurt in an automobile accident and due to the nature of his injuries, fell under the umbrella of Michigan's Auto No-Fault insurance system. During examination and subsequent treatment, it was determined that he would benefit from cryotherapy, to combat inflammation and pain, and manual therapy to reduce muscle spasms, inflammation and control pain. If I provide either of these treatments, I will not be reimbursed for them – even though these are two examples of treatments that **currently** fall under the scope of chiropractic in Michigan and have since 2009. If my patient was to have those same two treatments performed by any number of other providers, such as a physical therapist, occupational therapist, an MD, a DO, etc., the treatment would be covered, and the provider would be reimbursed.

Just to be clear – we are talking about treatments that the state has **already** determined will be covered under these two insurance structures if the treatments meet the necessary to treat standards **and already**

fall under the scope of practice for chiropractors in Michigan. But, today, the treatments are only covered when they're not provided by a chiropractic physician.

This is unfair to patients who choose drug and surgery free chiropractic care, and the State of Michigan has effectively created an economic boycott against chiropractors and their patients through these policies. We don't believe that is the State of Michigan's proper role, and this legislation will rectify the situation.

By removing the costly and uncompetitive language in section 315(1) of the Workers' Compensation Act and section 3107b of the Michigan Automobile No-Fault Act, legislators will promote patient choice, fair competition, and help control costs in these health care systems.

Opponents of this legislation will claim they will raise costs: that assumption is false. SB 282 and 283 do not allow for *any* services that are not being covered today, and will not allow chiropractic physicians to do anything that is not *already* in their scope of practice. These bills will allow patients the choice of provider they wish to see, without being economically penalized. If a patient needs these treatments under one of these insurance structures, ensuring they are able to seek these treatments from all providers who are legally allowed to provide such treatments, will simply not increase utilization cost.

In fact, numerous studies have proven that chiropractic physicians providing drug and surgery free care are *the* low-cost providers of healthcare. A study of a self-insured workers compensation fund, published in June 2014 in the Journal of Occupational and Environmental Medicine, demonstrated that compared to other popular treatments, such as PT, Medical Care, Surgery, and even what was called "doing nothing," chiropractic was the consistent cost saver to the fund. When compared to the cost of these other modalities, chiropractic actually had a negative cost! What a great outcome for both the patient and the self-insured workers compensation fund, that actually made money compared to the other approaches.

Another study published in the Journal of Manipulative and Physiological Therapeutics, showed that based on a health care insurer data in Tennessee, patients who first sought chiropractic care, as opposed to an MD, had a 20% reduction in cost, after the data was adjusted for risk factors, and 40% savings before the risk adjustment.

Finally, you may hear that legislation that put these two unfair policies into place was part of a "deal" struck between the MAC and insurers during the debate on the expansion of chiropractic scope of practice nearly a decade ago. Once again, that is not accurate. The legislation in question was passed following the legislation to expand chiropractic scope and was done so despite the strong objection of the MAC.

Once again, thank you for your time and consideration of this very important legislation. We will be glad to answer any questions you may have.